

## KENTUCKY REAL ESTATE APPRAISERS BOARD

### TYPE OF MEETING

Regular Meeting

### DATE AND LOCATION

February 21, 2013 – 1:00 p.m. Holiday Inn Hurstbourne, Louisville, KY

### PRESIDING OFFICER

Harold Brantley, Chair

### ROLL CALL

Present:

Harold Brantley, Chair  
Sam Blackburn, Vice Chair  
Dorsey Hall, Chair  
G. Herbert Pritchett, Board Member  
Kathy Mayfield, Board Member

Present Also:

Larry Disney, Executive Director  
Angie Thomas, Staff Assistant  
Ravon Radmard, Executive Secretary  
James Grawe, Board Counsel

Chair, Harold Brantley opened the meeting and welcomed the guest in attendance.

### MINUTES

Motion by Dorsey Hall, second by Sam Blackburn and the Board approved the January 17, 2013 minutes. Roll call – Sam Blackburn – Yes; Dorsey Hall – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

## EDUCATION

Motion by G. Herbert Pritchett, second by Kathy Mayfield and the Board unanimously approved the below listed education courses for FY 2012-2013. Roll call – Sam Blackburn – Yes; Dorsey Hall – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield-Yes.

(1) McKissock, LP

- (a) FHA for Today's Appraiser – Live Webinar – 7 hours CE Online.

(2) National Association of Independent Fee Appraisers (NAIFA)

- (a) 6.7 The Cost Approach to Residential Properties – 7 hours CE classroom

(3) Appraisal Institute

- (a) Online General Appraiser Income Approach, Part 1 – 30 hours QE Online and 27 hours CE online
- (b) Online REO Appraisal: Appraisal of Residential Property for Foreclosure & Preforeclosure – 7 hours CE Online
- (c) Online Case Studies in Appraising Green Residential Buildings – 8 hours CE online or 7 hours CE online without exam.
- (d) Online Introduction to Green Buildings: Principles & Concepts – 8 hours online or 7 hours CE online without exam.
- (e) Online Appraising Condos, Co-Ops & PUDs – 7 hours CE classroom

(4) Lynx Valuation, LLC

- (a) Residential Appraisal Review – 7 hours CE classroom
- (b) Residential Reporting: Hitting All the Bases – 7 hours CE classroom

(5) Appraisal University

- (a) 301 – Appraising Historic Property – 7 hours CE online
- (b) 302 – Practices and Pitfalls for the Residential Appraiser – 7 hours CE online
- (c) 402 – Site Analysis and Valuation – 7 hours CE online
- (d) 501 – Practical Application of the Cost Approach - 7 hours CE online
- (e) 602 – Retail Center Analysis for Financing – 7 hours CE online
- (f) 913 – 2012-2013 Equivalent USPAP Update Course – 7 hours CE online

(6) Kentucky Department of Revenue – Office of Property Valuation

- (a) KY Course 71 – Commercial Real Property Appraisal/Cost Approach - 18 Hours QE /exam – 15 hours CE w/o exam.
- (b) KY Course 72 – Commercial Real Property Appraisals/Income & Sales Comparison Approach – 17 hours QE w/exam – 15 hours CE w/o exam.

(7) American Society of Farm Managers & Rural Appraisers, Inc.

- (a) Highest and Best Use Seminar – 7 hours CE

- (b) Cost Approach Applications – 8 hours CE
- (c) Sales Comparison Approach – 8 hours CE

### **CERTIFICATION/LICENSURE**

A. Approval – Appraisers – Motion by Sam Blackburn, second by Kathy Mayfield and the Board voted to approve the following certification list of appraisers. Roll call – Sam Blackburn – Yes; Dorsey Hall – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

- (a) Jason M. Campbell – Certified General (OH)
- (b) Joseph Brent Clontz, Jr., - Associate
- (c) Hans D. Detlefsen – Certified General (IL)
- (d) David E. Hopkins – Certified General (MO)
- (e) Earl L. Judd, Jr. – Certified Residential (GA)
- (f) Edwin W. Litolff, Jr. – Certified General (TX)
- (g) Michael J. Mallory – Certified Residential
- (h) Robert W. Padrick, Jr. – Certified Residential (FL)
- (i) Clark B. Pennington – Associate
- (j) Joshua F. Richards – Certified General (IN)
- (k) Kenneth D. Swisher – Certified Residential (FL)

B. Approval – AMC Companies - Motion by Sam Blackburn, second by G. Herbert Pritchett and the Board voted to approve the following Appraisal Management Companies. Roll call – Sam Blackburn – Yes; Dorsey Hall – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

- (1) CU Appraisal Services, LLC - #112
- (2) International Valuation Group, LLC - #113

C. Justin F. Moon – Applicant applying for Associate. Mr. Moon appeared before the Board to answer questions concerning the prior conviction stated on his application. Motion by Sam Blackburn, second by Dorsey Hall and the Board agreed that Mr. Moon will present the pre-investigation report to Mr. Disney and the application will be reviewed after receiving the requested information. Roll call – Sam Blackburn – Yes; Dorsey Hall – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

### **EXPERIENCE REVIEW**

- A. Thomas Donnelly – Experience approved for Certified Residential. Mr. Donnelly must pass the Certified Residential Exam.
- B. Coby Mosley – Experience approved for Certified General. Mr. Mosley must pass the Certified General exam.

Motion by Dorsey Hall, second by Kathy Mayfield and the Board unanimously approved the experience for both appraisers and both must complete the required examination. Roll call – Sam Blackburn – Yes; Dorsey Hall – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

## COMPLAINT

- A. The Board reviewed the Case Flow Summary Chart. Motion by Sam Blackburn, second by Kathy Mayfield and the Board directed staff to maintain a case flow summary chart that reports only open cases and no names and present to the Board each meeting. There will also be a chart maintained of all cases between each ASC review visit. Roll call – Sam Blackburn – Yes; Dorsey Hall – Yes; G. Herbert Pritchett – No; Kathy Mayfield – Yes. Mr. Pritchett was against doing away with chart because he wants to make sure cases are completed within a 12 month period. He feels it will also keep staff on a time line to get case done within the 12 month period.
- B. Mr. Blackburn recognized John Hoover, investigator on a great job he has been doing during the informal meetings and mediations.
- C. Investigator Report – There are a total 17 active cases the investigator has in process.  
Dorsey Hall, Board Member had to leave meeting.
- D. Case No. 12-51 – Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously agreed to file a formal complaint and set the case for a hearing. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.
- E. Case No. 12-50 – Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously agreed dismiss with recommendation to take the 15 hour National USPAP course by June 30, 2013. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.
- F. Case No. 12-47 – Motion by G. Herbert Pritchett, second by Kathy Mayfield and the Board unanimously agreed to dismiss the case. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.
- G. Case No. – 12-16 – William L. Moore, III. Motion by G. Herbert Pritchett, second by Kathy Mayfield and the Board unanimously agreed to accept the agreed order. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.
  - (a) Moore shall be fined the sum of \$2,000 with the total amount due by July 1, 2013.
  - (b) Moore shall complete a 15 hour National USPAP course with successful completion of the examination and a 30 hour General Appraiser Market Analysis and Highest and Best Use course with successful completion of

the examination and a 30 hour General Appraiser Cost Approach course with successful completion of the examination. Said 75 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required herein shall be completed by July 1, 2013.

- (c) Moore agrees to submit a log every six months for a period of 2 years from the date of the agreed order and the Board may review assignments from the log, if requested to do so.
- (d) Moore agrees to have no Associates for a period of two years from the date of the agreed order.
- (e) Moore agrees that the Board shall not renew his certification for the 2013 renewal cycle July 1, 2013 until he has completed the requirements of the terms set out in paragraphs (a) and (b) of this order.

H. Case No. 11-13 – Norman Christie · Motion by G. Herbert Pritchett, second by Sam Blackburn and the Board unanimously agreed to accept the agreed order. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

- (a) Norman D. Christie agrees to voluntarily surrender Certified General Real Property Appraiser Certificate No. 1485. Norman Christie further agrees that he does not intend and he will not apply for reinstatement for personal reasons. Should Norman D. Christie make an application for reinstatement, he shall meet all the requirements and qualifications for certification in place at that time, and the Board will consider the application under the provisions of KRS 324A.050(2).

I. Case No. 11-13 – Thomas Christie · Motion by Sam Blackburn, second by G. Herbert Pritchett and the Board unanimously agreed to accept the agreed order. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

- (a) Thomas K. Christie was practicing as an Associate under the supervision of Norman D. Christie at the time of the actions underlying this matter, and therefore, the Board agrees to dismiss the charges against Thomas K. Christie.

J. Case No. 12-23 – Catherine Smith · Motion by Kathy Mayfield, second by G. Herbert Pritchett and the Board unanimously agreed to accept the agreed order. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

- (a) Smith agrees to pay a \$500 fine with the total amount due by March 1, 2013.
- (b) Smith agrees that the Board shall not renew her certification for the 2013 renewal cycle July 1, 2013 until she has completed the terms set out in paragraph (a) of this order.

K. Case No. 12-41 – Bradley Williams – Motion by G. Herbert Pritchett, second by Kathy Mayfield and the Board unanimously agreed to accept the agreed order. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

- (a) Williams shall complete a 15 hour National USPAP course with successfully completion of the examination and a 15 hour Cost Approach of Residential Properties course with successful completion of the examination. Said 30 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required herein shall be completed by July 1, 2013.
- (b) Williams agrees that the Board shall not renew his certification for the 2013 renewal cycle July 1, 2013 until he has completed the requirements of the terms set out in paragraph (a) of this order.

L. Board Hearing Discussions – Larry Disney asked for a status of the following cases and action by the Board of how to proceed:

- (1) 12-04 – Thomas K. Biederman – Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously agreed to table the case until conviction has been finalized. Mr. Biederman is currently inactive and has been since June 2012. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.
- (2) 11-36 - Charles Walton – Hearing – April 18, 2013
- (3) 12-10, 12-11, 12-12, 12-25, 12-26 – Lynn Prichard – Hearing March 14, 2013

M. AMC cases – Dennis Badger has two cases in process of completing a complaint investigation.

N. LenderX operates under the AMC StreetLinks – There will be a complaint filed against LenderX for failure to disclose that the entity is a registered AMC with the Board.

O. Motion by G. Herbert Pritchett, second by Sam Blackburn and the Board unanimously agreed to request staff and legal counsel to draft a contract for AMC's and present to Board for review. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

## **MISCELLANEOUS**

The Board reviewed and discussed the following information:

- A. Budget – Budget ending January 2013
- B. Information David Harrington Case – Motion by Sam Blackburn, second by Kathy Mayfield and the Board agreed to option #1 of Marvin L. Wilson, Board Counsel, to proceed with the revocation and inform Mr. Harrington accordingly. As an aside, each and every appraisal assignment completed where he holds himself out as Certified, but in fact is not, is a separate Class A Misdemeanor. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

- C. March Board Meeting – March 22, 2013 – 9:00 a.m.
- D. ASC Review – March 20-22, 2013
- E. March Seminar – March 15, 2013 – Clarion Hotel, Lexington, KY
- F. May Hearing – Case Nos. 12-10, 12-11, 12-13, 12-25 and 12-26 – Lynn Prichard– May 7-8, 2013 – 9:00 a.m.
- G. April Hearing – Case No. 11-36 – Charles Walton – April 18, 2013 – 9:00 a.m.
- H. AARO Spring Conference - April 27-29, 2013, Austin, Texas, Austin Omni Hotel
- I. Larry Disney informed the Board HB120 has passed out of the House.
- J. Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously agreed to start the process of hiring a staff investigator. Roll call – Sam Blackburn – Yes; G. Herbert Pritchett – Yes; Kathy Mayfield – Yes.

Motion by Sam Blackburn, second by G. Herbert Pritchett and the Board unanimously agreed to adjourn the meeting.

  
Chair

  
Staff Assistant